

Water Use Efficiency Subcommittee

California Bay-Delta Authority Water Use Efficiency Program

July 7, 2005: 12:30 p.m. – 3:30 p.m.

California Urban Water Conservation Council

455 Capitol Mall, Suite 703, Sacramento, CA

DISCUSSION NOTES

TIME	AGENDA ITEM	DISCUSSION NOTES
12:30 PM	Welcome, Introductions And Agenda Overview	<ul style="list-style-type: none">• Welcome and introduce participants• Review meeting agenda/purpose
12:40 PM	Focus Topic One: Quantifiable Objectives (Attachment 1)	<ul style="list-style-type: none">• Review discussions of Work Team on Quantifiable Objectives• Consider ramifications for Program Plan, Future PSPs and Overall Program Approach
1:30 PM	Focus Topic Two: WUE Program Plan (Attachment 2 – To be distributed separately)	<ul style="list-style-type: none">• Review and comment on updated draft WUE Program Plan
1:50 PM	Focus Topic Three: WUE Subcommittee Focus and Direction	<ul style="list-style-type: none">• Discuss recent CALFED Program developments and potential impact on the Water Use Efficiency Program<ul style="list-style-type: none">- Consider WUE Program strengths, limitations and options for moving forward
2:30 PM	Updates	<ul style="list-style-type: none">• WUE Program and Related Updates<ul style="list-style-type: none">- Remote Sensing Presentation by Peter Wijsman- Proposal Solicitation Process- Legislative Updates- Water Management Science Board- AWMC/CUWCC Updates- Other
3:15 PM	Public Comment and Next Steps	<ul style="list-style-type: none">• Public Comment• Consider Next Steps<ul style="list-style-type: none">- WUE Subcommittee meeting schedule
3:30 PM	Adjourn	

ATTACHMENT 1

To: Water Use Efficiency Subcommittee
From: Bennett Brooks
Date: June 30, 2005
Re: Quantifiable Objectives Work Team

The Water Use Efficiency Subcommittee has engaged in several discussions recently to review progress to-date in implementing Quantifiable Objectives (QOs) and the potential for QOs to continue serving as a foundation for agricultural water use efficiency actions.

In its April 21 meeting, the Subcommittee identified two follow-on efforts. They were:

- Convene a Work Group to (1) identify a subset of QOs important to articulate in the near-term (next one to two years); and then (2) develop an implementation plan that includes identifying a lead agency and determining funding sources and needs.
Work
- Convene a Work Group to look at strategies for tracking performance measures tied to Targeted Benefits. This step was seen as important since there needs to be some method of tracking Ag WUE progress on those Targeted Benefits unable to be quantified in the near future.

On June 2, a Work Group met to consider these topics and develop a recommendation for moving forward. Work Group members included: Manucher Alemi, Ronnie Cohen, Lloyd Fryer, Tom Gohring, Luana Kiger, Todd Manley, Rich Mills, Mark Roberson, Mike Wade and Bryce White. The meeting was facilitated by B. Brooks.

Discussion Summary:

Work Group members reviewed the technical approach used to craft both Targeted Benefits and Quantifiable Objectives. Additionally, they reviewed draft cost-projections, developed by Mark Roberson, tied to: (1) updating Targeted Benefits; (2) updating existing Quantifiable Objectives; (3) articulating new Quantifiable Objectives; (4) marketing; and, (5) performance monitoring and verification. Finally, they received and discussed the current list of agricultural assurances associated with the Ag WUE Program.

Based on the discussion, Work Group members generally agreed to the following:

- Quantifiable Objectives, while technically sound, appear overly challenging at this time to articulate and market effectively to the agricultural community. (For one thing, DWR does not feel it has the in-house expertise to implement the program. It has also proven labor-intensive to explain to agricultural water suppliers how they can incorporate QO pursuit into their conservation activities.) Accordingly, the

Program should not invest additional resources at this point in articulating new QOs. That said, the Program should continue to use those QOs already articulated to track progress and assess program effectiveness.

- Quantified Targeted Benefits seem to offer a simpler, yet still effective method, to guide agricultural water users' investments in actions that can meet CALFED objectives. Accordingly, the Program should recast its effort to emphasize pursuit of Targeted Benefits. In doing so, DWR needs to make a renewed effort to prioritize the funding of Targeted Benefits-related projects.
- Shifting away from Quantifiable Objectives to Targeted Benefits significantly impacts the QO-based set of assurances developed for the Ag WUE Program. Accordingly, a new package of assurances needs to be developed to assess program effectiveness. Work Group members brainstormed a possible new set of measures to track progress. The list included the following:
 - Articulate all current Targeted Benefits and, as appropriate, add new ones.
 - Meeting Targeted Benefits requires more than agricultural water use efficiency actions. Accordingly, CALFED Program resources and tools should be directed towards Targeted Benefits attainment.
 - Future CALFED-related, water use efficiency implementation grant funding should be targeted 100% at those projects that have articulated a linkage with Targeted Benefits¹. Similarly, funding for research and development grants should be prioritized for those projects that foster Targeted Benefits pursuit.
 - Continue using existing Quantifiable Objectives to track progress and assess program effectiveness.
 - Monitor grant outcomes – at project level – to track whether actions produced expected outcomes
 - Renew marketing efforts to agricultural water suppliers to raise profile, understanding of and interest in Targeted Benefits.

This shift in thinking is not without concerns. Work Group members agreed that it is difficult to craft an effective yardstick for measuring agricultural water suppliers' effort towards meeting Targeted Benefits. Moreover, they agreed that, without such a yardstick, it may prove difficult for agricultural and environmental representatives to resolve the question: "Is agriculture doing enough?"

Other important issues raised in the discussion include:

- Implementation to-date has fallen well short of the assurances articulated in package developed in 2002. Only Agricultural Water Management Council acreage enrollment is on target.
- Monitoring and verification efforts need to be stepped up. While tough in the aggregate – system noise can mask changes – project-specific actions can and should be tracked.

¹ The Work Group recognized that this approach may not be easily implemented by the State Board, given other mandates and water quality issues.

- Grant funding is “buying benefits” for CALFED. It is important not to lose sight of this goal.
- Pursuit of Quantifiable Objectives and Targeted Benefits is a commitment; not a guarantee. If targets are not reached, the Program needs to understand why before making adjustments to program implementation, including consideration of non-regulatory and regulatory approaches.

Participants agreed that the new approach should be incorporated into the WUE Program Plan to be revised and discussed with the WUE Subcommittee in early July. DWR is to take the lead on incorporating the new language into the Program Plan.

Follow-On Work:

Following up on the Work Team meeting, CBDA, DWR and USBR staff met to develop language for inclusion in the Program Plan. Attached is proposed Program Plan language intended to lay out specific tasks, identify lead agencies and articulate funding need and sources. WUE Subcommittee members are asked to review and comment on the proposed language at the July 7 WUE Subcommittee meeting.

Additionally, DWR staff developed a series of questions for stakeholders and agency representatives to consider as the Program moves forward. These are:

- Is agriculture achieving the intended/stated goals by pursuing implementation of efficiency measures and targeted benefits?
- What is the extent of such achievement?
- What is the relationship between funding level and achievement level?
- Recognizing that implementation of QO's and Targeted Benefits is a commitment based on current and inherent science/assumptions and not a guarantee, what is the relationship between achievement level and science/assumption inherent in the QO's and Targeted Benefits?

We look forward to discussing this topic with you at the July 7 meeting.

**DRAFT LANGUAGE RELATED TO TARGETED BENEFITS
AND QUANTIFIABLE OBJECTIVES**

**** WUE PROGRAM PLAN ****

*(Attached draft language developed by DWR, USBR and CBDA staff for discussion
with the Water Use Efficiency Subcommittee at its July 7 meeting.)*

Refocus Program activity on implementation of quantified Targeted Benefits rather than Quantifiable Objectives. This effort will rely on the following activities:

- **Update Targeted Benefits.** Review and revise existing listing of Targeted Benefits. Involves updating existing Targeted Benefits, quantifying flow targets for those Targeted Benefits not yet quantified; and eliminating those Targeted Benefits no longer relevant.

Lead agency: DWR, with support from CBDA and USBR
Contract funding: \$100,000 -150,000
Funding source: Possible Prop. 50 and Water 2025

- **Outreach.** Continue work with agricultural water suppliers to promote marketing of Targeted Benefits and linkage with EWMPs and to encourage districts to pursue grant funds. Conduct regional workshops and meetings and continue promoting integration of Targeted Benefits into the AWM Plans and Implementation of Efficient Water Management Practices, and in grant funding proposals.

Lead agency: DWR, with support from AWMC
Contract Funding: \$50,000
Funding source: Possible Prop. 50

- **Continue promoting integration of Targeted Benefits into USBR regional and standard (CVP) criteria.**

Lead agency: USBR, with support from DWR, AWMC
Funding: Part of ongoing project management

- **Prioritized Grant Funding.** Review and revise CALFED-related, water use efficiency grant funding criteria to give higher priority (more score in ranking) to those implementation grant projects with an articulated linkage to Targeted Benefits². Similarly, funding for non-implementation grants (research, pilot and feasibility) must be targeted towards those projects that foster Targeted Benefits pursuit.

Lead agency: DWR, with support from USBR, SWRCB, NRCS and CBDA
Staff Funding: Funding included in grant administration costs

- **Monitoring/Verification.**

² The Work Group recognized that this approach may not be easily implemented by the State Board, given other mandates and water quality issues.

A. Project Level Monitoring.

Manage projects to ensure benefits are realized. This entails monitoring, verifying and assessing the local and public costs and benefits of the WUE-funded projects and the extent of progress towards achieving Targeted Benefits and already articulated Quantifiable Objectives. It also entails monitoring, verifying and assessing grant outcomes – at project level – to track whether actions produced expected outcomes. Continue using already articulated Quantifiable Objectives to track progress and assess program effectiveness.

Co-Lead:	Each implementing agency – DWR, USBR and State Board – take the lead for its own grant program; ongoing cross-agency coordination
Funding:	Part of on-going project management

B. Quantification of Benefits/Costs at Project Level

For all implementation projects, analyze results/findings of implementation of grant proposals to verify/quantify water savings; reduction of applied water; water quality benefits; in-Stream Flow benefits.

Co-Lead:	Each implementing agency – DWR, USBR and State Board – take the lead for its own grant program; ongoing cross-agency coordination
Funding:	Part of on-going project management

C. Program Level Monitoring

Evaluate the local and public costs and benefits of the WUE funded Program. Integrate results and findings of project level implementation in an overall and comprehensive analysis to summarize program benefits and achievements regarding CALFED WUE goals for urban and ag (Targeted Benefits).

Co-Lead:	Each implementing agency – DWR, USBR and State Board – take the lead for its own grant program; ongoing cross-agency coordination
Contract Funding:	\$50,000 for DWR; other agency funding needs not yet determined
Funding Source:	Possible Prop 50 for DWR; other agency funding sources not yet determined

- **Assurances Package.** Work with stakeholders to update assurances package associated with agricultural water use efficiency program implementation. Also work with other CALFED implementation agencies to broaden non-WUE contributions and focus on Targeted Benefits implementation.

Lead agency:	CBDA, with support from DWR, USBR, SWRCB, NRCS
Contract Funding:	\$75,000; no funding available

- Consistent with Integrated Water Management Planning efforts, develop partnerships with DWR/SWRCB/CBDA Water Quality, and ERP to actively participate in development of Targeted Benefits as related to water quality and in-stream flows. Preferably, forge funding partnership so that portions of each/any proposal submitted as requirement of PSP process related to water quality and stream flow improvements are funded by Water Quality and ERP. This program integration may require active participation of Water quality and ERP in the review and evaluation of proposals for funding related to water quality and in-Stream Flow benefits is critical part of this partnership. This will ensure that stated water quality and stream flow benefits have merits and worthy of funding.

Lead agency: CBDA assisted by DWR, SWRCB, NRCS, and USBR
Contract Funding: \$125,000; no funding available